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December 17, 2008

The Honorable Charles Terreni Chief Clerk of the Commission Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

Re: Application of BellSouth Telecommunications, Inc. to Provide In-Region

InterLATA Services Pursuant to Section 271 of the Telecommunications Act of

1996

Docket No. 2001-209-C

Dear Mr. Terreni:

In connection with an internal review of the SEEM Plans that are in effect in the Southeast, BellSouth Telecommunication, Inc., d/b/a AT&T South Carolina ("AT&T South Carolina") discovered a documentation omission in the SEEM Plan. Specifically, in the portion of the SEEM Plan that describes the plan's statistical formulas (Appendix D), AT&T South Carolina discovered that a formula associated with rate measures had been inadvertently omitted from Section D.2.4 (Calculate the Theoretical Mean and Variance) of Appendix D. For the Commission's convenience, enclosed with this letter is a redlined version of Appendix D, Section D.2.4, which includes the previously omitted formula. AT&T South Carolina intends to update Appendix D, Section D.2.4 on the PMAP website to include the omission. Please be advised that the aforementioned omission had no impact whatsoever on any SEEM calculation, which were, and continue to be, calculated in the manner ordered by the Commission.

Sincerely,

Patrick W. Turner

PWT/nml Enclosure

cc: All Parties of Record

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## SOUTH CAROLINA SEEM ADMINISTRATIVE PLAN<sup>1</sup>

South Carolina Plan Version 2.02 2.03

Issue Date: May 30, 2008

Effective Date: April 19, 2008 December 15, 2008

Note: This version (2.01) of the South Carolina SEEM complies with the order issued by the South Carolina Public Service Commission (SCPSC) in Docket No. 2004-316-C, on March 10, 2006. This SEEM Administrative Plan version is issued to reflect the OSS architecture changes implemented on April 19, 2008.

<sup>&</sup>lt;sup>1</sup> This plan was previously referred to as the Incentive Payment Plan ("IPP"). In order to be consistent throughout BellSouth's operating region, the name of the plan has been changed from IPP to SEEM.

## D.2.3 Obtain a Truncated Z Value for each Cell (Z<sub>i</sub>)

To limit the amount of cancellation that takes place between cell results during aggregation, cells whose results suggest possible favoritism are left alone. Otherwise the cell statistic is set to zero. This means that positive equivalent Z values are set to 0, and negative values are left alone. Mathematically, this is written as

$$Z_j^* = \min(0, Z_j)$$

## D.2.4 Calculate the Theoretical Mean and Variance

Calculate the theoretical mean and variance of the truncated statistic under the null hypothesis of parity,  $E(Z_j^*|H_0)$  and  $Var(Z_j^*|H_0)$ . To compensate for the truncation in step 3, an overall, weighted sum of the  $Z_j^*$  will need to be centered and scaled properly so that the final overall statistic follows a standard normal distribution.

- If  $W_j = 0$ , then no evidence of favoritism is contained in the cell. The formulae for calculating  $E(Z_j^* | H_0)$  and  $Var(Z_j^* | H_0)$  cannot be used. Set both equal to 0.
- If  $\min(n_{1j}, n_{2j}) > 6$  for a mean measure, or  $\min\left\{a_{1j}\left(1 \frac{a_{1j}}{n_{1j}}\right), a_{2j}\left(1 \frac{a_{2j}}{n_{2j}}\right)\right\} > 9$  for a proportion measure,  $\min(n_{1j}, n_{2j}) \ge 15$  and  $n_{i}q_{i}(1 q_{i}) \ge 9$  for a rate measure, then

$$E(Z_{j}^{*} | H_{0}) = -\frac{1}{\sqrt{2\pi}}$$

and

$$Var(Z_{j}^{*} | H_{0}) = \frac{1}{2} - \frac{1}{2\pi}$$

• Otherwise, determine the total number of values for  $Z_{j}^{*}$ . Let  $z_{ji}$  and  $\theta_{ji}$ , denote the values of  $Z_{j}^{*}$  and the probabilities of observing each value, respectively.

$$E(Z_j^* \mid H_0) = \sum_i \theta_{ji} Z_{ji}$$

and

$$Var(Z_{j}^{*} | H_{0}) = \sum_{i} \theta_{ji} Z_{ji}^{2} - \left[ E(Z_{j}^{*} | H_{0}) \right]^{2}$$

The actual values of the z's and  $\theta$ 's depends on the type of measure.

STATE OF SOUTH CAROLINA	)	
	)	CERTIFICATE OF SERVICE
COUNTY OF RICHLAND	)	

The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") and that she has caused AT&T South Carolina's Letter Correcting Formula in the South Carolina SEEM Administrative Plan in Docket No. 2001-209-C to be served upon the following on December 17, 2008:

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